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SUBJECT: NGOS IN LTTE-CONTROLLED AREA BRIEF ON GROWING  
RISKS AND ACCESS PROBLEMS

11. (SBU) Summary: In a February 19 briefing at the EU Commission for selected Heads of Mission, international NGOs operating in the northern area of the Vanni still controlled by the LTTE reported growing constraints on their operations, including increasing restrictions on access both to and within the Vanni, growing risk to their staffs as a result of the Government's intensive air campaign and the LTTE's location of strategic targets near NGO facilities, and increasing GSL efforts to tax and limit the visas of INGO expatriate staff. The INGOs also reported that forced conscription of INGO local staff by the LTTE has diminished, the incidence of civilian casualties from the GSL's intense bombings remains relatively low, while LTTE representatives remain upbeat about their chances of countering the GSL's military campaign. The Ambassador and EU Head of Mission Wilson undertook to raise with appropriate GSL interlocutors the access, tax and other problems INGOs are experiencing as a result of GSL actions. End Summary.

12. (SBU) A group of international NGO staff representing 95 percent of the INGOs operating in the LTTE-controlled area of the Vanni briefed Ambassador, the EU Head of Mission, the Ambassador of Switzerland, and the Deputy Chiefs of Mission of India and Norway on February 19 on the growing operational constraints they face from both the Government of Sri Lanka and the LTTE.

Access  
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13. (SBU) INGOs reported growing constraints on their access, both into and within the Vanni. With respect to the movement of food and other supplies into the Vanni, the GSL has set up a new check point at Medawachchiya (south of the principal check point at Omanthai). Effectively, this new check point means that every vehicle must be offloaded and inspected twice before entry into the Vanni, thereby slowing down considerably shipment of essential commodities and supplies. The government has also limited the number of vehicles that are allowed through the Omanthai check point to only six to

eight per day. The third problem has been that the local commanders inspecting vehicles at Omanthai ignore written approvals issued by relevant GSL agencies in Colombo.

14. (SBU) The INGOs also reported that access within the Vanni also has diminished considerably. Whereas INGOs enjoyed relatively free access to most parts of the Vanni in early 2007, they are now able to travel only on the main north-south A-9 road, the road east from Killinochchi to Mullaattivu, and to some limited areas west of Killinochchi. The INGOs attributed the new restrictions to the significant fighting that is now occurring between GSL and LTTE forces along most parts of the southern forward defense line marking the southern boundary of the LTTE-controlled area.

#### Risks to INGO Staff From Bombings

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15. (SBU) The INGOs expressed concern about the growing risks to their staff from the almost daily aerial bombings by the Sri Lankan Air Force. They noted that while the Air Force was reasonably accurate in its targeting, LTTE and INGO offices are intermingled all over Killinochchi so that even small variances on target accuracy had potentially devastating impacts for the INGOs. They noted, for example, that a recent large bomb dropped on an LTTE facility in Killinochchi had landed only 170 meters from a UN office. The INGOs and the UN have already provided the GPS coordinates marking the locations of their facilities in the north to the Sri Lankan military. They have also taken steps to establish fallback operational centers in Akkarayan, southwest of Killinochchi. They complained however that the LTTE had begun to rebuild in Akkarayan the previously bombed Voice of Tigers Transmitter Station, presumably to take advantage of the INGO presence there to shield it from

additional air force bombings.

#### Growing Visa, Tax and Other Restrictions on INGOs

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16. (SBU) The INGOs complained of a host of continuing and new operational and administrative constraints from the Government of Sri Lanka. Expatriate INGO staff are experiencing significant delays in receiving their visas, while work permits are only being renewed for three month periods. They were also concerned that for the first time ever the visa request for an INGO Head of Office (Norwegian People's Aid) to enter the country was denied. An additional constraint is that the income tax for expatriate staff will be increased to 35 percent in April of this year from the previous level of 15 percent. This will further discourage expatriates from working in Sri Lanka, which the INGOs believe is the government's objective. Finally, they complained of huge Inland Revenue tax bills. INGOs are now being obliged to pay income tax on all money that is brought into the country for project implementation. The only exemptions are for infrastructure development projects in conflict areas, humanitarian programs related to the tsunami, medical relief, and rehabilitation for children mentally harmed by the conflict or the tsunami. One INGO has received a tax bill of \$200,000 for projects implemented in 2005 and 2006; another received a tax bill for \$310,000. The Ambassador and EU Head of Mission Wilson responded that such revenues should be exempt and undertook to raise this with the GSL.

17. (SBU) INGOs also expressed concern about an ever increasing number of requests and demands from the government for information. For example, the NGO Secretariat recently requested information on all NGO assets as well as names and addresses of all staff. The government also established more than a year ago a Parliamentary Select Committee for the Investigation of the Operations of NGOs and Their Impact. While the INGOs have cooperated with the Committee's request for information they have been dismayed that almost immediately after meetings with the Committee, information they have furnished appears in the media in an often biased

and distorted manner. Attempts to correct these distorted reports only fuel further intimidation and criticism. Ambassador and Wilson noted they had successfully persuaded the Coordinating Committee on Humanitarian Affairs (CCHA) to express publicly in mid-December the government's support for UN operations and INGO agencies and undertook to continue to defend the importance of INGO operations in Sri Lanka.

#### Forced LTTE Conscription of INGO Staff Down -----

18. (SBU) With respect to the forced recruitment of local INGO staff by the LTTE the INGOs reported that a total of 51 local staff had been forcibly recruited by the LTTE between August 2006 and November 2007. Of those, 44 had been released by the LTTE following representations by the INGOs, while seven remain conscripted. The INGOs reported that most of the 44 had been released quite quickly and that forcible conscription by the LTTE had diminished overall in recent months.

#### LTTE Surprisingly Upbeat -----

19. (SBU) Asked about the mood of the population and the LTTE in the Vanni, the INGO representatives responded that LTTE representatives were surprisingly "upbeat" about the LTTE's military prospects. The Ambassador noted this was not that surprising given reports that the LTTE had inflicted heavier-than-expected casualties on the government, forcing GSL leaders to extend their own deadline for defeating the LTTE until the middle of 2009. INGO representatives commented that most schools and businesses continue to

operate normally and that lots of supplies appear to be coming to the Vanni from India, particularly diesel fuel and some consumer and other goods. They also commented that the level of civilian casualties from government bombings continues to be relatively low, considering the intensity of the bombings.

#### Presidential Advisor Promises to Ease Check Point Problems -----

110. (SBU) Later the same day Ambassador, EU Head of Mission Wilson and the Norwegian DCM met with Presidential Advisor Basil Rajapakse to raise concerns about the new check point at Medawachchiya and the shrinking number of vehicles that were being inspected each day at Omanthai, from a daily average of 25-30 vehicles to only 6-8 at present. Such restrictions could constrain food supplies in the Vanni, they noted. Rajapakse said that the new check point at Medawachchiya had been temporarily put in place following the spike in terrorist attacks by the LTTE prior to the February 4th independence day celebrations. He candidly admitted that the government had considered canceling the independence day celebrations, but instead instituted new security measures, one of which was additional screening of vehicles into and out of the Vanni. He said he had met with UN Resident Representative Buhne earlier in the day to discuss this same issue and had agreed that the UN would provide to the Army Commander, the Ministry of Defense and Basil, a daily list of all UN vehicles going through the Omanthai the next day. Such vehicles would not be subject to the same stringent security searches, and would not be counted against the daily allocation of 6-8 vehicles. In addition, all vehicles owned by the Government Agent of Killinochchi, the Road Development Authority, and other government agencies would get permanent passes. The slots for the 6-8 vehicles going into the Vanni on a daily basis could therefore be allocated mostly to INGOs. Rajapakse anticipated that the Medawachchiya check point would be dismantled in approximately one week. He said he also had instructed the government agent to purchase paddy in Killinochchi which will reduce the amount of food that must be imported from the south, ease congestion at the checkpoints and raise incomes in the north.

Comment

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¶11. (SBU) The new operational and other constraints on INGOs reflect a combination of operational needs by the GSL and LTTE to keep INGOs out of conflict areas, a quiet effort by the Government to diminish the role of INGOs who often are among the few willing to criticize the GSL, and a growing campaign against foreign influences spurred by the nationalist JVP party. The Government has allowed efforts such as the Parliamentary Select Committee in part because of its own concerns about INGOs, but also because the GSL needs the JVP's support in the war effort. The GSL fears the JVP's power to bring people out on the streets and knows it can do so anytime because of popular unhappiness about the high rate of inflation. Embassy will continue to counter this campaign against INGOs, but anticipates it will get worse as the conflict intensifies.

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